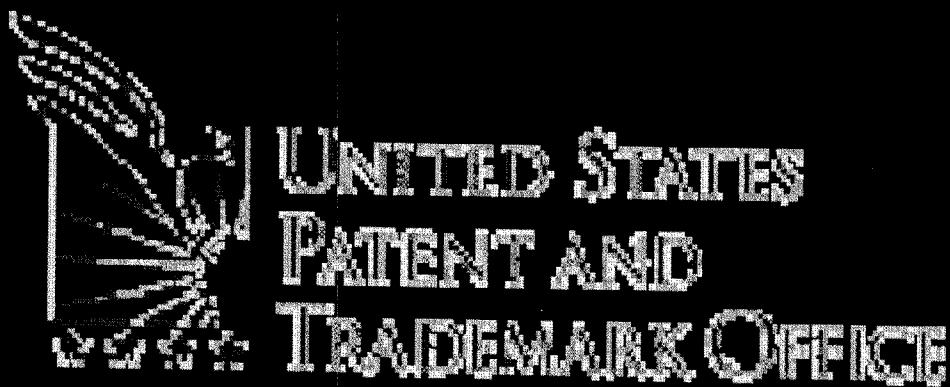


EXHIBIT 10



Proposed Reform of Continuation Practice and the use of Representative Claims

2

Two Rules Packages Published

January 3, 2006

- Continuation practice (71 Fed Reg 48)
- Representative claims (71 Fed Reg 61)

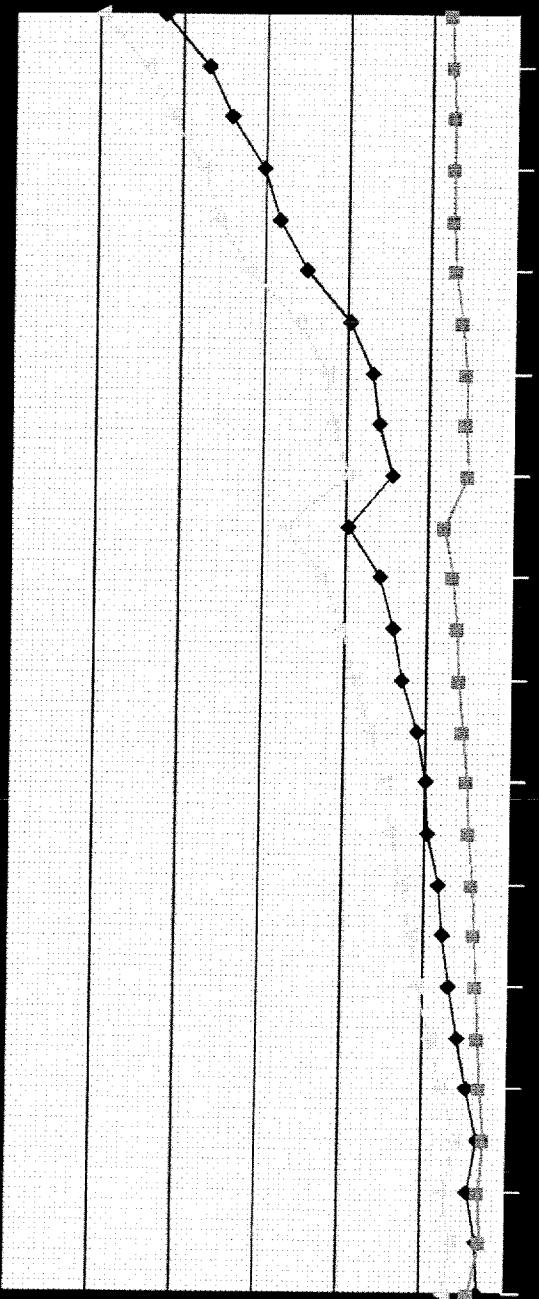
- Town Hall meetings around the country
- D.C. meeting (USPTO campus) April 2006
- Comments due by May 3, 2006

- Will also help reduce backlog
 - Produce more "focused" examination
 - Prevent outliers from affecting best practitioners
 - Goal is to
- a Large Majority of Applications
Rules Won't Significantly Impact

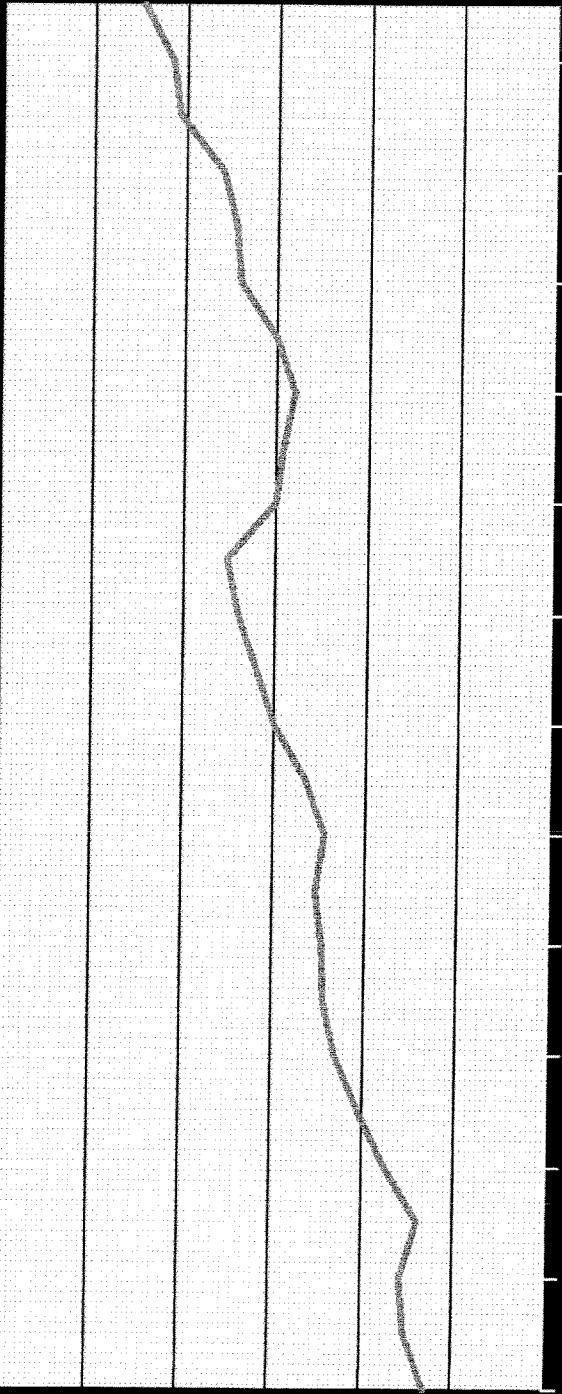
- Thus 6-7% of applications (21,800/317,000) have already been through two or more complete examinations
- 317,000 applications filed in fiscal 2005
 - 44,500 were continuations/CIPs
 - 11,800 were 2nd or higher RCEs in a chain
 - 52,000 Requests for Continued Examination
 - 10,000 were 2nd or higher RCEs in a series

Let's Look at Some Numbers

Continuation Filing Rates



Continuation Filing Percentage



FY 05 Patent Pendency

Technology Center	Average 1 st Action Pendency (months)	Average Total Pendency (months)
1600 - Biotechnology and Organic Chemistry	23.0	32.3
1700 - Chemical and Materials Engineering		29.7
2100 - Computer Architecture Software and Information Security		43.5
2600 - Communications	30.5	42.3
2800 - Semiconductor, Electrical, Optical Systems	14.5	24.9
3600 - Transportation, Construction, Electronic Commerce	18.4	
3700 - Mechanical Engineering, Manufacturing and Products	18.3	26.3
UPR Total (as of 10/1/2005)	21.1	29.1
FY 05 Target	20.7*	31.0

¹ "Average 1st action pendency" is the average age from filing to first action for a newly filed application, completed during July-September FY 2005.

² "Average total pendency" is the average age from filing to issue or abandonment of a newly filed application, completed during July-September FY 2005.

* Assuming current input and output estimates, the agency should achieve first action pendency of 21.3 months by the end of FY 2005 and total pendency of 30.2 months.

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Technology Centers Rework*

Statistics

	FY 2002	FY 2003	FY 2004	FY 2005
TC Summary	% FAOM Rework	% FAOM Rework	% FAOM Rework	% FAOM Rework
1600	36.4%	39.7%	40.3%	42.4%
1700	25.2%	26.9%	27.1%	28.0%
2100	23.9%	24.0%	24.6%	28.2%
2600	24.8%	24.1%	24.3%	25.4%
2800	19.1%	22.0%	24.9%	24.1%
3600	17.7%	21.2%	23.1%	28.5%
3700	22.2%	25.1%	24.0%	28.1%
UPR	23.2%	25.3%	26.1%	28.3%

* Rework first actions are those actions that are in a Continuing (CONs and CIPs), RCE, CPA or 129(a) applications (excludes Divisionals).

- Cases) treated as separate applications
 - Office-ordered divisions (i.e. restricted
 - No first action finals (4 bites at the appellee)
- Petition and show why it is needed „to obtain evidence that could not have been submitted“
- Consideration of an amendment, argument, or earlier in series
- For 2nd and subsequent continuations
 - One continuation or RCE as of right
- continuation practice

1. Set reasonable limits on

1. Limits on continuation practice --cont'd

- No voluntary divisionals
 - Presumption of double patenting when two applications
 - Filed same day
 - Same assignee
 - Common inventors
 - Substantial overlap in disclosure
 - Rebut presumption by showing that claims are patentably distinct

Effective Date

- Effective Date of Final Rule

- Continuation limits apply to any application filed on or after the effective date of the final rule (not yet determined)
- Thus a continuation application or RCE filed after the effective date would have to comply with these rules

Alternative: Appeal